

## COMMITTEE ON COMMUNITY IMPROVEMENT

**October 23, 2006**

**5:30 PM**

Chairman Garrity called the meeting to order.

Present: Aldermen Garrity, O'Neil, Osborne, Gatsas, Duval

3. Presentation by Messrs. Glen Ohlund, Bob MacKenzie and Dick Anagnost relative to Downtown Revitalization (HB 657).

A handout was provided to the members.

Glen Ohlund, Development Coordinator, Manchester Economic Development Office, addressed the Committee stating I believe the conversation on House Bill 657 originally started in the summer I sent out some information to the mayor and board. House Bill 657 is now been enacted, it is written into the RSA's as 79E, and basically it's enabling legislation allowing municipalities to encourage investment in older buildings. There is plenty of unknowns as we all know regarding rehab projects and this removes one of those variables in terms of providing property tax relief while the building is being rehabilitated and while it is being leased up. The enabling legislation allows for a period of tax relief basically frozen at the current level for a period of five to thirteen years depending on circumstances. Five is the baseline, you can add two years on to that if it involves housing in the downtown area. You can add another two years on to that if it involves affordable housing and if it is a building that is eligible for historic register whether state or federal. You can add an additional five years on that tax relief. It does not preclude a reval on those properties so if a revaluation happens that's not something that is frozen on the rehabilitated building. The goal of this bill is to encourage those difficult projects in downtown. I had spoken last week with developer Dick Anagnost and he called in traffic coming back from Boston and was prepared to be here speak on the bill and how it will make the difference in terms of difficult projects like ones that he was involved with here in the City. Enactment here in Manchester would really send a clear message to developers about revitalization both in the downtown and the neighborhood business districts

throughout the city. I've had discussions with both the planning department and the assessor's office. Planning is willing to discuss and interested in discussing what those districts might entail besides the obvious downtown district as well as some of the neighborhood districts. The short story on the assessors is that there is a pro and con here. The pro is obviously that you would encourage development in property that might otherwise lay and may not see redevelopment, the con is that you are potentially deferring additional tax revenues and in some instances if a project was going to happen anyway deferring that. In your packet you have on page 2 is a flow chart of what the city of Manchester would need to do to enact this legislation at the city level. If you go to the top right it says city or town council actions upon proposal to allow RSA 79E tax incentives following procedures required by local charter or if you want to place it on a municipal election ballot. Immediately that goes into the local governing body authorizing 79E tax relief incentives. And then as you see the application process goes from the owner of qualifying properties in a designated district, who intends to make a substantial rehabilitation, either \$75,000 or more or 15% of the pre tax assessed value. So that basically is the process, local governing body holds public hearing and can accept or deny and there is a series of steps that it goes through in terms of determining whether or not it's a qualifying structure. Is it located within the district? Does it meet the financial test? Is there a direct public benefit through rehabilitation? Just wanted to put that on the table and I do not see Mr. Anagnost here.

Alderman O'Neil stated you mentioned that we need to set up a district or districts to do this, could the entire city be a district.

Mr. Ohlund responded the intent if you read the legislation it says its goal is to revitalize particular areas, downtown districts, village centers, central business district or neighborhood business district. I don't know what in the law would preclude it from being a city wide.

Alderman O'Neil stated or if we needed to, I'm thinking of areas like Wilson Street or Granite Square, outside the core of the city of Manchester. I don't think we define those by any specific district currently.

Mr. Ohlund stated and yet each of them probably has a corner store and small business.

Alderman O'Neil stated and there are needs for other services in those neighborhoods. It's something that we have talked about we haven't really got that far, Bob might want to elaborate but I'm thinking of like Wilson Street as an example or the Granite Square or the Corey Square areas of the city.

Mr. MacKenzie stated yes, and Glen and I talked it can be very useful in certain areas, again the trick is that it can't be a project that was going to happen anyway. Otherwise basically this is a reduction abatement on property taxes and if it was going to happen anyways you would loose those potential abated property taxes. But if development is not happening in an area in fact if it's declining that's an instance where these could be very useful to turn around, at least initially, turn around an area. And like you say some of the neighborhoods we are looking at they may need a kickstart and we may want to look at those from the hollow or Wilson Street and there is a few other areas in the city. I just think the board will have to be very selective about the buildings because if you let the door wide open you are potentially loosing some property tax revenues.

Alderman O'Neil asked Glen, the assessment is frozen for five years, but if there is a reval that is not affected. So how's the mechanics of that work. If somebody has a building that's assessed at \$400,000 and we say we are going to lock it for five years at \$400,000 but in the middle of that time period a reval comes in and it happens to say the building's worth half a million dollars how does that work then.

Mr. Ohlund replied my understanding based on the legislation is that it would in fact be taxed at the new value. I can probably look for the exact language.

Alderman O'Neil stated I know tonight you are probably just looking to move this forward and it's probably going to come before committees and the full board numerous times.

Chairman Garrity stated I don't think we need to spend a lot of time on this tonight.

Alderman O'Neil stated maybe at a later date you can get back to us on, but I'm just curious on how when it almost looks like when the timing is right after a reval is the best time to do it.

Alderman Osborne asked on the tax assessment relief, how do you determine how long, I know it's up to five years but how do you determine the amount of years that this would....

Mr. Ohlund responded it is five years if it is a qualifying project. If in addition you provide housing that's two additional years. If that housing is affordable it's four years on top of the five baseline and if it's a historic structure designated as such either on the state or federal register that can be an additional five for a total of 13.

Alderman Osborne stated how do you determine the first 1 to 5 years.

Mr. Ohlund replied stated five is the baseline.

Alderman Osborne stated this noted up to five years. What do they mean up to if it's an automatic five years.

Mr. Ohlund stated my understanding the way the legislation is written is that it is five years.

Alderman Gatsas stated does this qualify for the crop zone that we put in place.

Mr. MacKenzie stated this would be separate from crop zones, crop zones attacks certain things so they could be compatible. You could have both but the crop zone does not affect in any way local property taxes. This one only looks at local property taxes.

Alderman Gatsas stated I understand that but could I take a building in the crop zone and get both benefits from it.

Mr. MacKenzie stated if the board designated the same areas as crop and its historic yes.

Chairman Garrity asked what Mr. Ohlund wanted from the committee this evening.

Mr. Ohlund responded if the city of Manchester managed to get this enacted it would certainly send a clear message to the development community about the city of Manchester's interest in revitalizing it's neighborhood business districts and it's commercial cores throughout the city if there were such designated districts.

Alderman O'Neil stated it sounds like we are going to move quickly but Mr. Anagnost hustled to get here.

Chairman Garrity noted that Mr. Anagnost has knowledge regarding rehabilitation of buildings and perhaps he could share with the Committee.

Mr. Anagnost spoke in favor of moving this forward stated essentially the way I understand it what you would be adding to your arsenal is another economic development tool that is truly discretionary. It would be viewed on a case by case basis. The most important portion of it that would really stick out to a developer is the ability to get relief in the early stages of the project particularly during lease up, whether it be a commercial project or residential project. In a commercial

project if you are dealing with triple net leases until you have a tenant in there all the tax burden is on the landlord. We know that to redevelop these sites costs more than their market value. So therefore if you are looking at a replacement cost and your assessment you are actually paying an unfair portion of the tax burden. But putting that aside for a second you could now get some relief during the lease up period under which you could then get your tenants in there and put the burden of the taxes on the tenant. From a residential standpoint which I have a lot of experience with, particularly the Bond Building which is actually a mix, that project was financed by the City under the Section 108 program. Again that project cost about \$500,000 more than the value of the property at the time that it was redeveloped. During the lease up period particularly with the residential portion we were assess at such a level that the project at 100 percent occupancy couldn't sustain it's mortgage because we naturally spend more money in the rehab. It's tax burden which was assessed based on the replacement value of the building and the expenses that were necessary to operate the building. So realistically what this does give you is on a case by case basis gives you an incentive that you can hold a carrot out there to get something rehabbed, give the developer time to get it occupied, and then bring the full taxes aboard. So it could be a staged in process.

Chairman Garrity asked in your experience what's your average length of time for a rehab from start to finish and when a particular building is leased.

Mr. Anagnost stated probably 12 months during the rehab and then another 12 to 18 months during the lease up period till it reaches stabilization. So you've got roughly 2 ½ years and my reading Alderman Osborne is more like yours that it was up to five years and I understood that it was discretionary to establish the level. If I'm wrong also I apologize but my understanding when it was explained to me was that they had the discretion of up to five years on the baseline so it could be 2 years 2 ½ years, could be 4 years.

Mr. Ohlund stated you are correct I just read through and it is up to five.

Mr. Anagnost stated so realistically someone could come in during the construction period and say give me relief during my lease up period, and this board would have the discretion to grant periods of time in order to allow that to occur.

Alderman Gatsas stated now that relief would not be from, let's assume the property is taxed at \$100,000. That tax would continue to be paid at the 100 until such time that would be the relief. It wouldn't be relief that if the project at the end of a year you completed your rehab and the assessed value was a \$200,000 tax

bill, once you were fully leased you would be paying 200 and until that time you would be paying 100.

Mr. Anagnost stated right, your understanding and mine are the same.

Alderman Gatsas stated it was not total elimination of the tax.

Mr. Anagnost stated no, it's just relief on the amount of the improvement until you've got cash flow in order to cover that increased value.

Deputy City Clerk Johnson stated based on the presentation and what I am hearing the appropriate motion would be to recommend that the Board adopt the provisions of RSA 79E through resolution which the Clerk would present to the Board.

Alderman O'Neil so moved to recommend adoption of the provisions of RSA 79E. Alderman Duval duly seconded the motion.

Alderman O'Neil stated what is the next step.

Deputy City Clerk Johnson replied it will go to the full Board for adoption of 79E then if somebody were interested they would then come in and apply to the Board and it would follow the public hearing process that's outlined.

Alderman O'Neil stated case by case basis, and I thought I heard something about defining districts.

Mr. MacKenzie stated I think it would be useful for the Board to define districts so developers would know where you would like that special emphasis, but within the districts it's still on a case by case basis.

Alderman O'Neil noted he supported the concept, shouldn't we fine tune.

Chairman Garrity stated I think we need a recommendation from Mr. MacKenzie before it goes to the full Board.

Deputy City Clerk Johnson stated so when you adopt the provisions you want to adopt specific areas and so forth you would want to table it, send it to staff for recommendations and bring back more detail.

Alderman O'Neil withdrew his original motion and moved to table as stated by the Clerk.

Chairman Garrity stated I don't mind a tabling motion but I don't want it to sit on the table forever, it's an important economic development tool.

Alderman Gatsas stated I think if we look at the qualifying structure in the legislation, it is pretty clear what it describes it as being and if you look it is on the bottom of the first page it's Chapter 167 at the top, and I think in that qualifying structure it says it means "a building located in a district officially designated in a municipality's master plan or by zoning ordinance as a downtown, town center, central business district, or village center or where no such designation has been made." So anything that has not been made qualifies if they come back to this Board once there is a proposal before us. It's a pretty broad latitude that it allows. That was the intent of the legislation to make sure that you didn't just narrow scope it to a certain situation.

Chairman Garrity stated I think to table it to determine what qualifies as a scope in the city from planning.

Alderman O'Neil stated that's what Alderman Gatsas reads it says any building in the city could qualify for it.

Chairman Garrity stated if that is what the committee wants I will move it to the full Board.

Alderman O'Neil stated but I'm not sure hearing staff or Mr. Anagnost that was their intent with this. It was to define a district or districts.

Mr. MacKenzie stated my impression was that there had to be some fairly well defined districts. I would want to go back and speak with a couple of people including solicitor just to interpret that closer. But my understanding was the original intent was that it would be a downtown, a village center, or a neighborhood district that it had to be identified either the masterplan or the zoning ordinance. So I would like to clarify, I know Alderman Gatsas brought up a good point but I just think we should just clarify that. I think you can proceed it to the full board we will try to have some information back to you before them.

Mr. Anagnost stated he concurred and noted once again that it was on a case by case basis. So if a structure somebody thought was designated it would still come back before this board.

Alderman Osborne asked if it wouldn't be the CDBG zone.

Mr. MacKenzie responded we have a CBD district and that clearly falls under this definition, so the downtown district which runs roughly from Amoskeag Bridge

down to about Valley Street that would clearly qualify, but there was an intent to allow other areas and Manchester is a little different than other smaller towns in that it has neighborhood centers as well.

Alderman Osborne asked if ran up as far as Belmont Street.

Mr. MacKenzie responded no the CBD goes over to Union Street.

Alderman Garrity recommended Mr. MacKenzie have information available for the next full Board meeting, the wish of the committee was to move it to the full Board.

Alderman O'Neil moved to recommend adoption of the provisions of 79E with Mr. MacKenzie providing a report at the full Board meeting. Alderman Duval seconded the motion. There being none opposed the motion carried.

4. Amending resolution and budget authorization authorizing and appropriating funds in the amount of One Hundred Nineteen Thousand Five Hundred Sixty Four Dollars and Six Cents (\$119,564.06) for the 2003 CIP 710203 CSO Projects.

On motion of Alderman O'Neil, duly seconded by Alderman Duval, it was voted to approve the amending resolution and budget authorization as presented.

(NOTE: this action was reconsidered in discussion of Item 5)

5. Amending resolution and budget authorization authorizing and appropriating funds in the amount of Sixteen Thousand Dollars (\$16,000) for the FY2007 CIP 214207 Firesafe Intervention Program.

Alderman O'Neil moved to approve the request. Alderman Duval duly seconded the motion.

Alderman Gatsas asked if they could ask a question on item 4. Asking if they were FEMA funds.

Mr. MacKenzie responded yes they were CFO funds under the FEMA program.



Alderman Gatsas asked if FEMA funds was for 75% of the project, I guess this is for repairs to a portion of Cemetery Brook storm drain asking if it was from the flooding.

Mr. MacKenzie stated yes, there are a couple provisions 8, and 9 items were FEMA funded.

Alderman Gatsas asked if this was related to the flooding of the Mother's Day storm.

Mr. MacKenzie responded yes.

Alderman Gatsas stated I'd like to know because we had an October storm that the state stepped up and took so the communities were paying only a maximum of \$5,000 out of pocket, and I want to make sure that when we are talking about this that if this is part of the FEMA Mother's Day that we understand where we are at whether there is 12 ½ % coming from the state or the maximum amount out of pocket is \$5,000 so I'd like a clarification I would like to ask for a reconsideration on item 4 so we can go back and talk about it.

Alderman O'Neil so moved to reconsider action on Item 4. Alderman Duval seconded the motion. The motion carried.

Mr. MacKenzie stated if I could I would like to hand out a sheet. There is certain flood issues that were paid by FEMA which were reimbursements for time. For example Police Department, Fire Department. Those after discussions with Finance are going to roll back into the last fiscal year as revenues. But there are projects that need to be done going forward so we identified those with the help of Chief Kane and we were hoping to get those started. On the sheet you will see several of the selected projects that we'd like to get started. You'll see the total cost on the left which is estimated by FEMA. Then you see the FEMA share which is 75% that has actually started coming in to the Mayor and we have been depositing that. That's the next column is the state. FEMA expects the State of NH to pay 12 ½ %. I did speak again today with the State and they indicated that the legislature has not yet appropriated that, but it is expected I am certainly hopeful that the State will come through and pay that 12 ½% and then there is another 12 ½ % that would be either local or in some cases the state has as Alderman Gatsas said come through with a good chunk of that to help the communities out. That's also up in the air though. FEMA does not expect that and that would be at the good graces of the State to pay for that. So far on the start ups we have only put the FEMA share. We did put this together because we may want to up that tonight after discussing it with the committee to include the state's share because again that's expected by FEMA, it has not been approved yet at the

state but it is an expected amount. The federal government expects the state to kick in 12 ½ percent. I'm a little bit hesitant to assume anything beyond that Alderman Gatsas, I know it was done particularly in the Alstead area.

Alderman Gatsas stated you may be hesitant but I am not. Cause I think we have already set a precedent at the state level, and for us to walk away from a commitment for the rest of the state on the Mother's Day storm I think would be the wrong message that anybody as a legislature, or a governor or a state senator could send. Because that vote was a unanimous vote. I would think that this flood was as devastating to this community and to others as it was on the western part of the state. I would say that from my point of view that the legislation should be very clear and the intent was very clear we tried to make that move in the fiscal committee so that communities like Manchester and Goffstown and Hooksett would understand that what we did in the western part of the state should be something that we should be doing for the rest of the state so I guess I would send a motion that we as a Board send a very strong message to Concord to the Speaker, to the Senate President and to the Governor that we would expect the same overtures that the western part of the state received in the October storms as we would get in the Mother's Day storm. I would think that we should be looking at another, somewhere in the vicinity of 287,000 dollars less the \$5,000 because that was the most out of pocket that any community had to pay was \$5,000.

Mr. MacKenzie asked if that was \$5,000 per project.

Alderman Gatsas responded per community out of pocket expense.

Alderman Gatsas so moved, Alderman Osborne seconded the motion. The motion carried.

Mr. MacKenzie asked to clarify stating he understood the interest with sending message to the state concerning that, but can we modify these particular items here, would you like to modify it according to that recommendation, that basically we identify another line item here that says state minus the \$5,000.

Chairman Garrity stated I would assume other is City funds, is that right.

Mr. MacKenzie replied yes.

Chairman Garrity stated so modify it to \$5,000, we have to wait till we get an answer I would think from the state legislature.

Alderman Gatsas stated in my motion I would like to make it very clear.

Chairman Garrity stated you want to change those numbers, I don't think we can change them till we hear from the legislature.

Mr. MacKenzie stated what I wanted to change is the start ups that allow the departments to get going to fix these are only back at the FEMA numbers, the 75%. I think based upon the discussions tonight we should at least boost those to the 87 ½ % level because that will help them with some of their contracts that they are trying to get done. Identifying the state portion.

Alderman O'Neil asked if some of the work was already done.

Mr. MacKenzie responded some of the work has been done but these projects right here need money to go forward.

Alderman O'Neil asked with regard to Cemetery Brook, is that Porter Street, aren't you complete. So how are they paying the engineer and contractor for that work, it's done.

Mr. Kevin Sheppard, Deputy Public Works Director, stated this is a case that's an emergency situation we actually used bond money from our, I believe it's going back into our South Main Street north, there was a balance in that bond so it was a case of an emergency we used that money and that what's this money is reimbursing too.

Alderman O'Neil stated so you've paid your bill, do you have any other projects on this list.

Mr. Sheppard responded we do, item 10 I believe.

Alderman O'Neil asked are you able to cover the cost, to pay all the costs involved with the flooding and you are just looking for reimbursement or do we have bills out there outstanding that need to be paid.

Mr. Sheppard responded we don't have any outstanding bills, any costs that are incurred, operating budget costs, like Bob said, has come back to the city and has been into the FY06 budget as a fund balance to the 06 because it occurred in 06. We've got three projects that have not begun because we haven't had the money for them. So this would be 75% of that. Our plan would probably be to do two of those projects because this would be adequate funding we would have to wait for the remaining 25% before we started the third project.

Chairman Garrity asked Mr. MacKenzie, you want to change the FEMA number to 87 ½% because you already have a 12 ½% commitment from the state is that correct.

Mr. MacKenzie responded an expectation of the state. I'd like to on the start ups put FEMA and then beside it state with the other 12 ½% if that's okay with the committee. We would have to change it and get revised start ups to City Clerk to go to the full Board.

Alderman Gatsas asked are these the only projects that are in the affected flood of Mother's Day. Cause I'm looking at items 9, 10, 8.

Mr. MacKenzie again it is again, I spoke with the state today and they were talking about one other project but I haven't seen the paperwork on it a smaller one. This is clearly the lion's share of all the work that we have to do going forward. Some of these are actually combinations of what they called FEMA calls project worksheets. So the Piscataquog actually had six sub projects that FEMA was looking at but we are just showing as one project here.

Alderman Gatsas stated on this sheet that you just gave us, you showed Piscataquog at \$741,000, and then when I go to line number 9, so really this sheet is talking about projects 7, 8,9 or whatever we have before us.

Mr. MacKenzie responded right. On our agenda that would be item 9, yes.

Alderman Gatsas stated and 8 is the one just above it.

Mr. MacKenzie responded yes.

Alderman Gatsas stated and item 10 is just below it.

Mr. MacKenzie responded yes.

Alderman Gatsas stated so this sheet is taking care of 8, 9, 10 and 4.

Mr. MacKenzie responded and item 7.

Items taken together with Item 4 and Item 5:

7. Amending resolution and budget authorization authorizing and appropriating funds in the amount of Twenty Thousand Eight Hundred Fifty Nine Dollars and Ninety Four Cents (\$20,859.94) for the 2007 CIP 510807 Park Improvement Project.

8. Amending resolution and budget authorization authorizing and appropriating funds in the amount of Sixty Two Thousand Four Hundred Seventy Dollars and Five Cents (\$62,470.05) for the 2007 CIP 511607 Bass Island Flood Damage Stabilization Project.
9. Amending resolution and budget authorization authorizing and appropriating funds in the amount of Five Hundred Fifty Five Thousand Nine Hundred Twenty Four Dollars and Fifty Eight Cents (\$555,924.58) for the 2007 CIP 511707 Piscataquog River Park Flood Damage Remediation Project.
10. Amending resolution and budget authorization authorizing and appropriating funds in the amount of One Hundred Twenty Three Thousand Four Hundred Seventy Six Dollars and Six Cents (\$123,476.06) for the 2007 CIP 713007 Flood Damaged Infrastructure Remediation Project.

Alderman Gatsas stated so if we took up items 4,7, 8, 9, and 10 altogether that's what we would be sending in the recommendation as a letter.

Mr. MacKenzie responded yes.

Chairman Garrity stated but it is my understanding Mr. MacKenzie that on the agenda, the number that's on the agenda you want to add 12 ½% to each project.

Mr. MacKenzie responded yes.

Chairman Garrity asked if the committee was okay with that, noting they would be adding 12 ½% to Items 4, 7, 8, 9, and 10.

Alderman O'Neil noted item 7 affects Parks, asking if that was the one they were working on.

Mr. Sheppard noted they had three projects that they had not started they were waiting for the funding.

Alderman O'Neil stated or you have done projects and paid for it with other means.

Mr. Sheppard stated right.

Mr. Chuck DePrima stated that work is complete. We paid for that out of our cash account that we use for parks improvements and now we are reimbursing that account.

Alderman Gatsas asked if they were being reimbursed the full 26.

Mr. DePrima responded no 75% of that so far.

Chairman Garrity stated our next motion is going to be to make that 87½%.

Alderman Gatsas asked why would we leave the 12 ½% liability on the park, why wouldn't we as a city look to move that 12½% and not leave the park system 12½% short and then have our battle as an entirety on the whole project.

Mr. MacKenzie responded the Board could do that but there is then the shortfall we would actually have to find that money to put in there to make it a whole 100%.

Chairman Garrity noted which is a total of \$146,000 if I'm not mistaken.

Alderman Gatsas stated obviously they are working out of their cash account when it really should be a city obligation because it wasn't their fault that there was a storm. They shouldn't be put at risk. There must be a one time account that we can draw out of, I'm sure the City Solicitor, this is not like an everyday account, I'm sure there must be funds that we can draw out of to make all these departments whole and we fight the battle as an entirety for the city.

Chairman Garrity asked the solicitor if he had an answer.

Deputy Solicitor Arnold stated he did not.

Mr. MacKenzie stated my only reaction to that is I did think about whether we could find that money to get them going with the full amount the only thing is if we do that and we find the money isn't it going to be easier for the state to say well you don't need it if you already came up with the money.

Alderman Gatsas stated it has nothing to do, because other communities came up with their money when the October storm came, they took care of those funds and they were reimbursed, so this is not about the ability to pay or not pay, this is about what precedent was set in other parts of the state. So I think that same precedent should follow through for the communities, it really comes down to whether you qualify for FEMA funding.

Alderman O'Neil moved to approve adding 12 ½% to fund Items 4, 7, 8, 9, and 10 at 87 ½%. Alderman Osborne seconded the motion.

Senator Gatsas referred to the “may” as opposed to “shall” in the state law regarding the FEMA projects but expressed that the committee should fund it at 100% and go after the state funds.

Chairman Garrity stated he was hesitant to do that until the state acted.

Mr. Sheppard stated unless that last 12 ½% is funded we won't be doing the project, we don't have money within our budget, and I talked with Chuck from Parks and Rec on Piscataquog Park for example, we don't have the 12 ½%.

Chairman Garrity stated the projects that are not started or completed when's the start date targeted for those.

Mr. Sheppard stated two of my three projects based on the funding that we get we can get two out of the three done and then would have to wait for the balance of the funding, the 12 ½% to start the third project. Right now it's something we can feel we can put off till the spring if the funding is not available.

Chairman Garrity asked if the state would be able to act on it by spring.

Alderman Gatsas noted it should be fast tracked because there are communities out there like Goffstown and others that don't have the ability as the City does to move things around and get projects done. It's probably something that is going to have to be fast tracked in the first part of the session.

Alderman O'Neil stated I'll make whatever motion is appropriate to get this moving.

Mr. DePrima stated they had the bid opening for Piscataquog River Park so right now we are signing a contract to begin the restorations down there, it's pending.

Chairman Garrity stated so potentially you would have only 87 ½% funding available. When does the project start.

Mr. DePrima replied as soon as the funding is approved.

Chairman Garrity stated so it would start next month.

Alderman Gatsas stated the 12 ½% you are talking about is the city share.

Chairman Garrity noted he had confidence in Alderman Gatsas in getting the legislation taken care of.

Alderman Gatsas stated there should be enough confidence then to realize we will only pay \$5,000 out of the total bill, I feel uncomfortable agreeing to the 87 ½% because that's sending the message to the state that the city will pick up the other 12 ½.

Chairman Garrity stated I will agree with you but I feel uncomfortable making a motion to the everything but \$5,000 when we don't have any staff here to tell us where the 12 ½% is going to come from.

Alderman O'Neil asked what agency on the state level is do you deal with.

Mr. MacKenzie responded on this Office of Emergency Management, there is an individual who is handling all the flood projects this time, so I've been in contact with that person.

Mr. MacKenzie stated he could make a suggestion if you want to find a local share for the 12 ½ to make the whole project, again my only hesitancy was.

Chairman Garrity stated he would take any recommendation at this time.

Mr. MacKenzie stated the \$146,000 if you would like to make all of those projects whole and let them go do it could come from the Verizon reimbursement. That was the fire damage to Notre Dame bridge and it was an insurance settlement and those funds should go back into capital projects, and the committee could tap that if they would like.

Alderman O'Neil moved to approve the full amount as presented by Mr. MacKenzie. Alderman Duval seconded the motion.

Chairman Garrity clarified that this would also include the approval of the OYS project which was Item 5, as well as addressing 100% funding of Items 4, 7, 8, 9, and 10 and called for a vote. The motion carried with none recorded in opposition.

6. Amending resolution and budget authorization authorizing and appropriating funds in the amount of Forty One Thousand Five Hundred Forty Eight Dollars (\$41,548) for FY2007 CIP 412207 Radiological Emergency Response Plan (RERP) Program.



Alderman Osborne moved to approve this item. Alderman O'Neil seconded the motion. There being none opposed the motion carried.

11. Amending resolution and budget authorization authorizing and appropriating funds in the amount of Twenty Three Thousand Six Hundred Twenty Five Dollars (\$23,625) for the FY2007 CIP 811407 Manchester VISTA Initiative Program.

Alderman O'Neil moved to approve the item. Alderman Osborne seconded the motion. There being none opposed, the motion carried.

12. Communication from the Director of Planning requesting project extension from August 31, 2006 to June 30, 2007 for CIP #210205 – Public Health Preparedness.

Alderman O'Neil moved to approve the extension. Alderman Duval seconded the motion. There being none opposed the motion carried.

13. Communication from Alderman O'Neil regarding jurisdiction for municipal and school facilities and departmental responsibility in public right-of-ways.

Alderman O'Neil asked the departments referenced in the letter to submit a list of what they believe their responsibilities are and where the gray area is. I think they both recognize there is some gray area.

Chairman Garrity responded I am a bit disappointed that there is nothing in our agenda do they have anything for us tonight.

Mr. Sheppard stated the Highway Department met with representatives of the Parks and Rec Department and went through some of these items. If you want to go through them in detail we can talk about them tonight.

Chairman Garrity asked if they had a handout.

Mr. Sheppard responded they did not.

Chairman Garrity asked that they get something to the Committee.

Alderman O'Neil noted in one of the items listed it talks about school buildings which effects these two departments but also effects HR through security which is going to come up on item 14 which I was going ask Mr. Clougherty about, so maybe in the next month if they could provide a written report to the committee.

Alderman O'Neil so moved to have a written report submitted to include the security piece and includes item 14. Alderman Duval seconded the motion.

Alderman Osborne asked if this should be referred to public safety.

Alderman O'Neil noted that he felt it was more of a CIP issue as it had to do with funding and buildings, security was part of this.

Chairman Garrity called for a vote. The motion carried.

14. Security estimate provided by Pelmac Industries for property located behind the West Side Ice Arena and the Jr. Deb Softball field.

Alderman O'Neil noted my point is that we have the security group doing electrical work what I read in there isn't just cameras. They are putting up lighting it has to be I don't know if Parks has an in house electrician I believe Facilities does. Why we are having a security contractor do lighting and that and it is a significant part of the project. To me that all ties in with this whole thing about it not connecting.

Alderman O'Neil moved to table item 14 pending meetings relating to item 13. Alderman Gatsas seconded the motion. There being none opposed the motion carried.

15. Communication from the Director of Planning advising of the Way Home's request for funding to help pay for costs associated with their efforts on mitigating the impacts and hazards associated with lead based paint found in many of the City's older buildings.

Alderman O'Neil moved for discussion. Alderman Duval seconded the motion.

Alderman O'Neil asked what it was the city was being asked to do.

Mr. MacKenzie stated they have had some unique costs relating to issues with lead paint. They are trying to patch together a total package of about \$64,000 to pay

for all these things, and we are requesting from the city \$14,390. That's above and beyond the regular CIP projects we provide to them.

Chairman Garrity noted they were funded in this year's CIP, did you have a funding recommendation.

Mr. MacKenzie stated we don't tonight. Funds are tight we just didn't have a recommendation tonight. We would probably like to if the committee would like us to we could have a funding recommendation at the next meeting.

Alderman O'Neil stated this is important we have been committed to the Way Home with their work regarding lead paint and I move to send this forward to the full Board with the recommendation of funding source from the CIP staff.

Alderman Osborne seconded the motion. The motion carried with none recorded in opposition.

16. Request of Committee that the Solicitor's office provide a brief summary of the legal differences between a street discontinuance and a "release and discharge" of a street.

On motion of Alderman O'Neil, duly seconded by Alderman Duval, it was voted to receive and file the information.

17. Petition to discontinue Pamela Circle.  
(*Note: Highway Department supports petition for discontinuance.*)

Alderman Duval moved to approve. Alderman O'Neil seconded the motion.

Brief discussion relative to an appropriate motion followed.

On motion of Alderman Gatsas, seconded by Alderman Osborne it was voted to table the item pending review of appropriate motion by Solicitor.

18. Communication from the Public Works Purchasing Agent recommending that recent bids for vehicle purchase to fulfill the FY07 MER budget allocations not be accepted and that they be allowed to go forth with purchasing off State contracts.

Alderman O'Neil moved to approve the request. Alderman Osborne seconded the motion.

Alderman O'Neil asked if they could get a breakdown from Mindy on what she did get in. One of the things they were trying to do for example if we are buying three pick up trucks they were trying to get the three departments to spec the same pick up truck. Mr. Sheppard did we accomplish those goals a little bit, we didn't have three separate specs for a pick up truck we had one spec for a pick up truck. That was one of the things that bothers me is that departments come up with their own little things that they like. I appreciate the work we are not getting any efficiencies by going out on our own, the state bid is still the way to go is what Mindy has indicated, but I was curious on how we are doing on getting I've heard things from certain color cars to model styles and all that, midsize sedan is a midsize sedan whether one department or another.

Mindy addressed the committee stating that the base spec we did put out with a general across the board for all the departments.

Alderman O'Neil asked are we going out to the state bids using those same meaning if three different departments are purchasing a pick up truck are they purchasing the same pick up truck under that bid.

Mindy under the state bid, they would be under this bid, yes.

Alderman O'Neil stated so we are bringing this together a little bit, unlike past practices.

Mindy responded yes.

Chairman Garrity called for a vote. The motion carried with none recorded in opposition.

19. Communication from the Chief Facilities Manager requesting vehicle transfer from Welfare for use by the Clerk of the Works and acquisition of a surplus vehicle for the Building Automation Specialist advising of their intent to request such vehicle in the FY2008 budget.

Alderman Osborne moved to approve the request. Alderman O'Neil seconded the motion. There being none opposed the motion carried.

20. Sewer abatement request (1381 Union Street).

*(Note: EPD recommends an abatement in the amount of \$52.20 be granted.)*

Alderman O'Neil moved to approve the abatement as recommended. Alderman Duval seconded the motion. There being none opposed the motion carried.

### **TABLED ITEMS**

21. Petition to discontinue a portion of So. Bedford Street.  
*(Tabled 07/11/2006. On July 11, 2006, the Board of Mayor and Aldermen voted to refer this matter also to the Special Committee on Riverfront Activities and Baseball.)*

This item remained on the table.

22. Communication from Alderman Duval requesting funding for the installation of fencing around the site of the former Weston Street Fire Station to prevent cut through of speeding vehicles, illegally parked cars and dumping refuse.  
*(Tabled 08/14/2006.)*

Alderman Duval moved to remove this item from the table. Alderman O'Neil duly seconded the motion. There being none opposed the motion carried.

Alderman Duval moved to receive and file the communication. Alderman O'Neil duly seconded the motion. There being none opposed the motion carried.

23. Request of Alderman Forest seeking funding for the rehabilitation of the playground and resurfacing of the basketball court.  
*(Tabled 08/14/2006.)*

This item remained on the table.

24. Communication from Lowell Terrace Associates proposing a mortgage/debt consolidation for property located at the northwest corner of Lowell and Chestnut Streets.  
*(Tabled 08/14/2006. Further information provided by Finance enclosed herein.)*

This item remained on the table.

## NEW BUSINESS

Highway Department request that the administering agency for the \$1.75 million appropriated for the JFK Coliseum be changed from Parks and Recreation to Highway Department.

Deputy City Clerk Johnson advised that it was her understanding that Parks and Recreation was agreeable to that and Mr. MacKenzie requested it come before the committee this evening.

Alderman O'Neil moved to approve the request. Alderman Osborne seconded the motion.

Alderman Gatsas asked if Parks was present to affirm that.

Mr. DePrima confirmed that Parks had no objection to the change.

Alderman Gatsas noted he had respect for the Facilities Division but when we start talking about laying pipe for ice and everything else I have some concern that there expertise knowledge is the same as the people that maintain the pipes.

Alderman O'Neil noted that Mr. Clougherty is a mechanical engineer by training to he is actually the most qualified person in the city to talk about piping.

Mr. Sheppard stated Tim can speak a little bit more he has met with Parks on this matter, the intent is not to take the Parks and Rec Department out of the loop. The intent is for us to have the funding, us to help them put out the project but we are going to have the money under our control. Parks is still definitely going to be involved from day one on this project, similar to a lot of other projects that we work with on parks. No way would we take this project and not listen to what Parks Department has to say, they are the experts on the ice rinks in the City. We've got some knowledge, like you say Tim's got a lot of knowledge, but on these projects we work together versus taking one department out of it, there is no way that we would do that.

Chairman Garrity stated I think it is similar to the South Main Street Fire Station, Facilities Department worked with Fire.

Mr. Sheppard stated like fire stations, other projects like Weston Tower we are working with them on.

Alderman O'Neil stated the other thing is they have somebody that can provide clerk of the works services who are already on staff.

Chairman Garrity stated right, we are trying to be efficient.

Alderman Gatsas stated I certainly don't have any problem with efficiencies what I do have a problem with what happens if there is a disagreement on what should go in and what shouldn't go in.

Mr. Sheppard stated from our understanding in the past of this committee or the Board of Mayor and Aldermen, was for the Highway Department to oversee this project. Believe me we are not asking to oversee this project we have plenty of work to be doing, if you want that project to remain with Parks department that's fine with us, but I believe that it was this committee or the Board of Mayor and Aldermen that has asked the Facilities Division to oversee it. It's not something that we were looking to do.

Alderman O'Neil stated the Facilities Division works daily with the School District on 22 buildings, and they have had to partner with them. I think they have worked with the Parks Department on other projects they played a supporting role on the new clubhouse, they have worked with the fire station on numerous projects, I don't know how many projects they have going on at the police station now, so this is no different than we have been doing. They don't claim to be experts for every specific phase, but they rely on the departments for their expertise when that comes up and I have full confidence that Mr. Clougherty will work with Mr. DePrima on this and it will be done right.

There being no further discussion Chairman Garrity called for a vote. There being none opposed the motion carried.

Alderman O'Neil moved to adjourn. Alderman Osborne seconded the motion. There being none opposed, the motion carried.

A True Record. Attest.

Clerk of Committee